

**Jefferson Davis Parish
Economic Development Commission**

Jennings, Louisiana

ANNUAL FINANCIAL STATEMENTS

As of December 31, 2009 and for the year then ended

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

8/18/10

Jefferson Davis Parish Economic Development Commission
December 31, 2009

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INDEPENDENT AUDITORS' REPORT

To the Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

We have audited the accompanying financial statements of the Governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Davis Parish Economic Development Commission (the Commission), as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Jefferson Davis Parish Economic Development Commission as of December 31, 2009, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Jefferson Davis Parish Economic Development Commission has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2010 on our consideration of the Jefferson Davis Parish Economic Development Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Budgetary Comparison Schedule identified as Schedule 1, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Edward L. Krielow

Jennings, Louisiana
June 29, 2010

THIS PAGE STATES WHETHER AN AUDIT HAS BEEN MADE WITH SUFFICIENT SCOPE TO ENABLE THE EXPRESSION OF AN OPINION ON THE ACCOMPANYING FINANCIAL STATEMENTS, OR IF PREPARED WITHOUT AUDIT FROM INFORMATION FURNISHED. THE PUBLICATION OF OUR NAME IN CONNECTION WITH ANY EXCERPT FROM THIS REPORT MAY BE MADE ONLY WITH OUR CONSENT AND IN A FORM APPROVED BY US.

BASIC FINANCIAL STATEMENTS

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

STATEMENT OF NET ASSETS

As of December 31, 2009

ASSETS

Cash and cash equivalents	\$ 80,997
Prepaid Expenses	<u>280</u>
Total assets	<u>\$ 81,277</u>

LIABILITIES

Current liabilities:	
Accounts, salaries and other payables	<u>\$ 3,310</u>
Total liabilities	<u>\$ 3,310</u>

NET ASSETS

Invested in capital assets, net	
Unrestricted	<u>\$ 77,967</u>

TOTAL NET ASSETS

\$ 77,967

EXHIBIT A

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009

	<u>Expenses</u>	<u>Program Revenues Operating Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets</u>
GOVERNMENTAL ACTIVITIES			
Promotion of Economic Development	\$ 219,155	\$ 199,410	\$ (19,745)
Total Governmental Activities	<u>\$ 219,155</u>	<u>\$ 199,410</u>	<u>\$ (19,745)</u>
GENERAL REVENUES			
Interest Income			\$ 288
Other Revenues			21,800
Total General Revenues			<u>\$ 22,088</u>
CHANGE IN NET ASSETS			\$ 2,343
NET ASSETS, BEGINNING OF YEAR - Restated			<u>75,624</u>
NET ASSETS, END OF YEAR			<u>\$ 77,967</u>

EXHIBIT B

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

BALANCE SHEET
Governmental Funds
As of December 31, 2009

	General Fund
ASSETS	
Cash and cash equivalents	<u>\$ 80,997</u>
TOTAL ASSETS	<u><u>\$ 80,997</u></u>
LIABILITIES AND EQUITY	
Liabilities:	
Accounts, salaries and other payables	<u>\$ 3,310</u>
FUND EQUITY	
Fund Balance:	
Unreserved and undesignated	<u>77,687</u>
Total fund balance	<u>\$ 77,687</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 80,997</u></u>

EXHIBIT C

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

**Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Financial Statement of Net Assets**
December 31, 2009

Total Ending Fund Balances-Governmental Funds (Statement C)	\$	77,687
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Total net assets reported for governmental activities in the statement of net assets is different because:

Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds:

Prepaid items		280
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Net Assets (Statement A)	\$	<u>77,967</u>
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EXHIBIT D

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

Governmental Funds
For the Year Ended December 31, 2009

	General Fund
REVENUES	
Program Revenues	
Operating Contributions	\$ 199,410
Interest Income	288
Other Revenues	21,800
Total Revenues	<u>\$ 221,498</u>
EXPENDITURES	
Salaries	\$ 81,565
Payroll Taxes	537
Management Fees	21,142
Health Insurance / Employee Benefits	134
Advertising	9,605
Dues & Subscriptions	1,949
Legal & Professional	42,575
Office Expense	11,536
Building Rent	4,500
Telephone	6,522
Miscellaneous	478
Promotion	5,098
Travel	18,751
Accounting Service	11,750
Postage	1,486
Maintenance & Repair	300
Equipment Rentals	1,080
Insurance - General	1,699
Utilities & Internet	967
Total Expenditures	<u>\$ 221,674</u>
NET CHANGE IN FUND BALANCE	\$ (176)
FUND BALANCE - Beginning of Year - Restated	<u>77,864</u>
FUND BALANCE - End of Year	<u>\$ 77,688</u>

EXHIBIT E

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Government-Wide Statement of Activities
For the Fiscal Year Ended December 31, 2009**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds (Statement E)	\$	(176)
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Governmental funds that are not payable from current resources and
therefore are not reported in the funds:

Compensated absences payable	2,519
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Total changes in net assets of Governmental Activities (Statement B)	<u>\$</u>	<u>2,343</u>
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EXHIBIT F

The accompanying notes are an integral part of the statement

Notes To Financial Statements

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Introduction

The Jefferson Davis Parish Economic Development Commission (the Commission) was created by the joint action of the City of Jennings, the Town of Welsh, and the Jefferson Davis Parish Tourist Commission pursuant to LSA-RS 33:1329 on January 30, 2007. The joint commission was created to act as an agency and instrumentality of the various public bodies to enhance the ability of the rural communities to develop, grow, and improve the overall quality of life by targeting financial and technical resources to create opportunities. The Commission has authority, within its boundaries, to exercise all powers necessary or convenient for the carrying out of such purposes.

Under the provision of the Louisiana Constitution, Article 6, Sections 20 and 23 and La. R.S. 33:1329 by resolution the Commission shall consist of seven (7) commissioners, serving three year terms. The Commission members are to be appointed by the governing body of their place of residence and shall consist of three (3) residents from the City of Jennings, three (3) representatives appointed by the Jeff Davis Parish Tourist Commission and one (1) resident from the Town of Welsh. No elected officials shall be authorized to serve on the commission.

According to the charter, each member is responsible for contributing an amount equal to the percentage of ownership that the member holds in the commission. The annual proportion of participation shall be as follows.

	<u>Percentage</u>	<u>Not to Exceed</u>
City of Jennings	39.50%	\$ 75,000
Jefferson Davis Parish Tourist Commission	39.50%	75,000
Town of Welsh	21.00%	40,000

Reporting Entity

The financial statements of the Commission consist only of the funds of the Commission. The Commission has no financial accountability for any other governmental entity since no other entities are considered to be component units of the Commission.

GASB Statement No. 14, *The Reporting Entity*, as amended, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. They include the following:

- (1) Appointing a voting majority of an organization's governing body, and
 - a. the ability of the police jury to impose its will on that organization and/or
 - b. the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Commission.
- (2) Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.
- (3) Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

Reporting Entity (continued)

Based on the previous criteria, the Commission has determined that it has no component units.

Basis of Presentation

The accounting and reporting policies of the Jefferson Davis Parish Economic Development Commission conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants; and are also made in accordance with the provisions of *Government Auditing Standards*, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

The Commission has adopted the provisions of GASB Statement No. 34 and GASB Statement No. 37. These statements established standards for external financial reporting for all state and governmental entities, which includes a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- Invested in capital assets, net of related debt: This component of net assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. The Commission has no debt attributable to its capital assets.
- Restricted net assets: This component of net assets consists of constraints imposed by creditors (such as through debt covenants), contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation. The Commission has no restricted net assets.
- Unrestricted net assets: This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Government Wide and Fund Financial Statements

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Commission as a whole. These statements include all the financial activities of the Commission. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

Government Wide and Fund Financial Statements (continued)

Fund Financial Statements (FFS)

The Commission uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Commission functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Various funds are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Commission or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10% of the corresponding total for all governmental funds. The funds of the Commission are described below:

Governmental Funds:

General Fund – The General Fund is the general accounting fund of the Jefferson Davis Parish Economic Development Commission. It accounts for all financial resources, except for those required to be accounted for in other funds.

Measurement Focus and the Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expense are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so it has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

Jefferson Davis Parish Economic Development Commission
December 31, 2008

Notes to Financial Statements

Measurement Focus and the Basis of Accounting (continued)

Amounts reported as program revenues include operating contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Practices

The Commission has adopted a budget for its general fund.

For the year ended December 31, 2009, the Commission adopted a budget on December 19, 2008 and amended the budget on June 12, 2009. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget prior to adoption on a basis consistent with generally accepted accounting principles (GAAP). Periodic budget comparisons were made during the year and amendments are made when deemed necessary. All budgeted amounts, which are not expended or obligated through contracts, lapse at year end. Formal encumbrance accounting is not utilized by the Commission.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposit, money market accounts, or time deposits with state banks organized under Louisiana Law or any other state of the United States, or under the laws of the United States.

Capital Assets

Capital assets, which include building, improvements, furniture and fixtures, and other assets, are to be reported in the governmental columns in the government-wide financial statements. All capital assets are valued at historical cost or if contributed property, at their estimated fair value at the time of contribution. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income. The Jefferson Davis Parish Economic Development Commission maintains a threshold level of \$1,000 or more for individual items and \$2,000 or more for major repairs and improvements for capitalizing capital assets.

Capital outlays are recorded as expenditures of the General Fund, and they are recorded as assets in the government-wide financial statements. Depreciation is recorded on general fixed assets on a government-wide basis.

The Commission has no capital assets recorded as of December 31, 2009.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

Compensated Absences

Employees accrue vacation leave at the rate of twelve days per year. At the end of the year, any remaining vacation days are cumulated up to 20 days. Employees accrue sick leave at the rate of twelve days per year. Sick leave is cumulative up to a maximum of 130 days. Upon termination of employment, employees are paid any unused vacation leave, but any remaining sick leave is forfeited. During the year there were no full time employees and therefore, at December 31, 2009, the Commission had no accrued vacation leave.

Pension Plan

During the year ending December 31, 2007, it was determined by the Board of Directors the employees would not be eligible as members of the Municipal Employees Retirement System of Louisiana, a statewide retirement system. Therefore, the Commission amended the cooperative endeavor in paragraph 2 and 3 stating the Commission's staff as of January 1, 2008 would become employees of the Jefferson Davis Parish Tourist Commission and therefore eligible for participating in the statewide system. The Jefferson Davis Parish Tourist Commission therefore made payments of salaries and benefits on the Commission's behalf. Pursuant to their agreement, the Commission will reimburse Jefferson Davis Parish Tourist Commission the excess of the payments made on behalf over \$75,000 and the Executive Director would remain under review of the Commission.

Fund Equity

Government-Wide Statements – Equity is classified as net assets and displayed in two components:

- (1) Invested in capital assets – consist of capital assets, net of accumulated depreciation.
- (2) Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Governmental Fund Statements – Equity is classified as fund balance. Fund balance is further classified as reserved and unreserved.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission manages these losses through the purchases of commercial insurance.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Jefferson Davis Parish Economic Development Commission, which are either unusual in nature or infrequent in occurrence.

2. Cash and Cash Equivalents

As of December 31, 2009, the Commission has cash and cash equivalents (book balance) totaling \$ 83,703 as follows:

Demand deposits (First Guaranty Bank)	\$ 9,972
Interest bearing demand deposits (First Guaranty Bank)	<u>73,731</u>
Total book balances	<u>\$ 83,703</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all time equal the amount of deposit with the fiscal agent.

Bank Balance	<u>\$ 83,703</u>
Insured (FDIC)	<u>\$ 250,000</u>

3. Investments

During the current year ended December 31, 2009, the Commission has no investments.

4. Accounts, Salaries and Other Payables

The accounts, salaries and other payables consisted of the following at December 31, 2009.

Accounts	\$ 3,269
Payroll Taxes	<u>41</u>
Total	<u>\$ 3,310</u>

5. Compensation Paid to Board Members

The Commission paid no compensation to board members for the year ended December 31, 2009.

6. Litigation and Claims

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. No claim expenditures or liabilities are reported in the accompanying financial statements. The Commission is not presently involved in any litigation as defendant.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

7. Related Party Transactions

During the current year ended December 31, 2009, the Commission received funding from the following for their participation:

Jefferson Davis Parish Tourist Commission	\$ 74,410
Town of Welsh	40,000
Jefferson Davis Police Jury	10,000
City of Jennings	<u>75,000</u>
	<u>\$ 199,400</u>

Beginning January 1, 2008, the Jefferson Davis Parish Tourist Commission pays the salaries and benefits of the Commission's Executive Director and the Assistant Director. Pursuant to the \$75,000 contribution agreement, each year the Commission will either reimburse or collect the difference between the actual salaries and benefits paid on behalf and the \$75,000 agreement. During the year 2009, the Jefferson Davis Parish Tourist Commission paid salaries and benefits on behalf of the Commission of \$95,552 and the Commission reimbursed them \$21,142 as per the agreement.

8. On Behalf Payments for Salaries and Benefits

In pursuant to the agreement, the Jefferson Davis Parish Tourist Commission pays salaries and benefits for the Commission's Executive Director and Assistant Director. These on-behalf payments have been recorded in the accompanying financial statements, in accordance with Governmental Accounting Standards Board Statement 24 as intergovernmental revenues and expenditures as follows:

Intergovernmental Revenues:	
Parish	<u>\$ 74,410</u>
Expenditures:	
Salaries and related benefits	<u>\$ 74,410</u>

The above amounts include \$11,720 paid to the Parochial Employees' Retirement System of Louisiana for pension contributions for the Jefferson Davis Parish Tourist Commission's employees.

9. Contingencies

There were no contingencies during the current year ended December 31, 2009.

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Financial Statements

10. Leases and Commitments

The Commission has entered into several leases and commitments:

<u>Payee</u>	<u>Amount</u>	<u>Terms</u>
Pitney Bowes	\$ 1,440 yr	June 1, 2007 – September 30, 2012
Xerox Copier	\$ 2,344 yr	September 1, 2007 – July 31, 2012
First Guaranty	\$ 7,800 yr.	January 1, 2010 – December 31, 2012
SWLA Alliance	\$ 5,000 yr	January 1, 2009 – December 31, 2013

Annual commitment:

2010	16,584
2011	16,584
2012	15,442
2013	5,000
2014	0
Total	<u>\$ 53,610</u>

11. Economic Dependence

The Commission is a joint venture and has economic dependence on all members of the joint venture, including the City of Jennings, Town of Welsh, and the Jefferson Davis Parish Tourism Commission. According to the charter, each member is responsible for contributing an amount equal to the percentage of ownership that the member holds in the commission. The annual proportion of participation shall be as follows.

	<u>Percentage</u>	<u>Not to Exceed</u>
City of Jennings	39.50%	\$ 75,000
Jefferson Davis Parish Tourist Commission	39.50%	75,000
Town of Welsh	21.00%	40,000

12. Prior Period Adjustments

Certain errors resulting in changes to the net assets of the Commission's previously issued financial statements have been corrected in the current year.

During the current year, it was discovered \$75,000 received from the City of Jennings on December 23, 2008 should have been reported as deferred revenue and reported as earned revenue for the calendar year December 31, 2009. The correction resulted in the following changes to the beginning net assets:

	General Fund
Fund balance, January 1, 2008	\$ 81,242
Net change in net assets, year ended December 31, 2008	71,622
Correction:	
Misclassification of deferred revenue	<u>(75,000)</u>
Net assets, January 1, 2009 – restated	<u>\$ 77,864</u>

The correction also resulted in changes in the net assets as reflected in the government wide financial statements as follows:

Net assets, January 1, 2008	\$ 82,086
Change in net assets, year ended December 31, 2008	68,538
Correction detailed above	<u>(75,000)</u>
Net assets, January 1, 2009 – restated	<u>\$ 75,624</u>

13. Subsequent Events

As of January 1, 2010 the Commission entered into a new agreement with the Jefferson Davis Parish Tourist Commission. Pursuant to the new agreement, the Jefferson Davis Parish Tourist Commission will provide services to the Commission and the Commission will pay a management fee of \$21,100 per year in lieu of reimbursements.

Required Supplemental Information

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
BUDGETARY COMPARISON SCHEDULE
General Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES				
Program Revenues				
Operating Contributions	\$ 191,000	\$ 50,000	\$ 199,410	\$ 149,410
Interest Income	3,000	500	288	(212)
Other Income	0	21,800	21,800	0
Total Revenues	<u>\$ 194,000</u>	<u>\$ 72,300</u>	<u>\$ 221,498</u>	<u>\$ 149,198</u>
EXPENDITURES				
Salaries - Officers & Directors	\$ 36,000	\$ 0	\$ 74,410	\$ 74,410
Salaries - Other	44,200	6,000	7,155	1,155
Payroll Taxes	5,200	500	537	37
Retirement Expense	4,700	9,700	0	(9,700)
Health Insurance / Employee Benefit	10,500	10,500	134	(10,366)
Advertising	4,600	6,000	9,605	3,605
Dues & Subscriptions	1,300	2,000	1,949	(51)
Legal & Professional	33,000	53,000	42,575	(10,425)
Management Fees	0	0	21,142	21,142
Office Expense	12,000	12,000	11,536	(464)
Building Rent	4,500	4,500	4,500	0
Telephone	6,300	6,300	6,522	222
Miscellaneous	800	800	478	(322)
Promotion	500	4,900	5,098	198
Travel	20,000	12,500	18,751	6,251
Accounting Service	11,000	11,000	11,750	750
Postage	800	800	1,486	686
Maintenance & Repair	500	500	300	(200)
Equipment Rentals	1,700	1,700	1,080	(620)
Insurance - General	2,600	2,600	1,699	(901)
Utilities & Internet	1,700	2,000	967	(1,033)
Total Expenditures	<u>\$ 201,900</u>	<u>\$ 147,300</u>	<u>\$ 221,674</u>	<u>\$ 74,374</u>
NET CHANGE IN FUND BALANCE	<u>\$ (7,900)</u>	<u>\$ (75,000)</u>	<u>\$ (176)</u>	<u>\$ 74,824</u>
FUND BALANCE - BEGINNING OF YEAR - Restated			<u>77,864</u>	
FUND BALANCE - END OF YEAR			<u>\$ 77,688</u>	

SCHEDULE 1

The accompanying notes are an integral part of the statement

Jefferson Davis Parish Economic Development Commission
December 31, 2009

Notes to Budgetary Comparison Schedule

1. Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Commission

***Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance
With Governmental Auditing Standards***

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Davis Parish Economic Development Commission, as of and for the year ended December 31, 2009, which collectively comprise the Jefferson Davis Parish Economic Development Commission's basic financial statements and have issued our report thereon dated June 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jefferson Davis Parish Economic Development Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Jefferson Davis Parish Economic Development Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2009-1.

This report is intended solely for the information and use of management, Commission members, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.

Edward L. Krikelow

Certified Public Accountants
Jennings, Louisiana
June 29, 2010

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

**Management's Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2009**

<u>Ref No.</u> <u>Compliance</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
2009-1	Louisiana R.S. 39:1311 requires that budgets be amended when actual revenues are failing to meet budgeted revenues by 5% or more, and/or actual expenditures are exceeding budgeted expenditures by 5% or more. The chief executive or administrative officer is required to notify the governing authority in writing for 5% or more variances in the general fund and any special revenue fund with expenditures of \$500,000 or more. It was noted that the Commission's general fund expenditures exceeded budgeted expenditures by more than 5% and they failed to amend the budget as required.	Management will familiarize themselves with the provisions of Louisiana R.S. 39:1311 to insure compliance with Local Government Budget Act for future fiscal years.	Marion Fox	Immediately

Jefferson Davis Parish Economic Development Commission
Jennings, Louisiana

Management's Corrective Action Plan for Prior Year Audit Findings
For the Year Ended December 31, 2009

Ref No.
Compliance

No Prior Findings

Description of Finding

Corrective Action Planned

Name(s) of
Contact Person(s) Anticipated
Completion Date